

SITI GLOBAL PRIVATE LIMITED  
Balance Sheet as at March 31, 2017

|  | Notes | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|--|-------|------------------------------|------------------------------|-----------------------------|
| <b>A. Assets</b>                           |       |                              |                              |                             |
| <b>1. Non-current assets</b>               |       |                              |                              |                             |
| <b>Fixed assets</b>                        |       |                              |                              |                             |
| (a) Property, plant and equipment          | 3     | 36.22                        | 42.44                        | 43.54                       |
| (b) Capital work-in-progress               |       | -                            | -                            | -                           |
| (c) Other intangible assets                |       | -                            | -                            | -                           |
| (d) Intangible assets under development    |       | -                            | -                            | -                           |
| (e) Financial assets                       |       | -                            | -                            | -                           |
| (i) Investments                            |       | -                            | -                            | -                           |
| (ii) Loans                                 |       | -                            | -                            | -                           |
| (iii) Others                               |       | -                            | -                            | -                           |
| (iv) Deferred Tax                          |       | -                            | -                            | -                           |
| (f) Other non-current assets               |       | -                            | -                            | -                           |
| <b>Sub-total of Non-current assets</b>     |       | <b>36.22</b>                 | <b>42.44</b>                 | <b>43.54</b>                |
| <b>2. Current assets</b>                   |       |                              |                              |                             |
| (a) Inventories                            |       | -                            | -                            | -                           |
| (b) Financial assets                       |       | -                            | -                            | -                           |
| (i) Trade receivables                      | 4     | 18.24                        | 5.50                         | 0.97                        |
| (ii) Cash and bank balances                | 5     | 5.64                         | 1.79                         | 0.13                        |
| (iii) Others Recoverable                   | 6     | -                            | -                            | 1.01                        |
| (c) Current tax assets                     |       | -                            | -                            | -                           |
| (d) Other current assets                   | 7     | 0.26                         | 0.28                         | 0.19                        |
| <b>Sub-total of Current assets</b>         |       | <b>24.15</b>                 | <b>7.57</b>                  | <b>2.30</b>                 |
| <b>Total assets</b>                        |       | <b>60.37</b>                 | <b>50.01</b>                 | <b>45.84</b>                |
| <b>B. Equity and liabilities</b>           |       |                              |                              |                             |
| <b>Equity</b>                              |       |                              |                              |                             |
| (a) Equity share capital                   | 8     | 0.10                         | 0.10                         | 0.10                        |
| (b) Other equity                           | 9     | (6.90)                       | (7.12)                       | (4.68)                      |
| <b>Sub-total - Equity</b>                  |       | <b>(6.80)</b>                | <b>(7.02)</b>                | <b>(4.58)</b>               |
| <b>Liabilities</b>                         |       |                              |                              |                             |
| <b>1. Non-current liabilities</b>          |       |                              |                              |                             |
| (a) Financial liabilities                  |       | -                            | -                            | -                           |
| (i) Long-term borrowings                   |       | -                            | -                            | -                           |
| (ii) Other financial liabilities           |       | -                            | -                            | -                           |
| (b) Provisions                             |       | -                            | -                            | -                           |
| (c) Deferred tax liability (net)           | 10    | 0.86                         | 0.98                         | 0.71                        |
| (d) Other non-current liabilities          |       | -                            | -                            | -                           |
| <b>Sub-total - Non-current liabilities</b> |       | <b>0.86</b>                  | <b>0.98</b>                  | <b>0.71</b>                 |
| <b>2. Current liabilities</b>              |       |                              |                              |                             |
| (a) Financial liabilities                  |       | -                            | -                            | -                           |
| (i) Trade payables                         | 11    | 61.71                        | 54.16                        | 48.30                       |
| (b) Other current liabilities              | 12    | 4.60                         | 1.90                         | 1.42                        |
| (c) Provisions                             |       | -                            | -                            | -                           |
| <b>Sub-total of current liabilities</b>    |       | <b>66.31</b>                 | <b>56.05</b>                 | <b>49.72</b>                |
| <b>Total equity and liabilities</b>        |       | <b>60.37</b>                 | <b>50.01</b>                 | <b>45.84</b>                |
| Summary of significant accounting policies | 1-2.  |                              |                              |                             |

The accompanying notes are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

For For and on behalf of the Board of Directors of  
For SITI GLOBAL PRIVATE LIMITED

Director  
DIN:

Director  
DIN:

Place : Noida

Date :

**SITI GLOBAL PRIVATE LIMITED**

Statement of Profit and Loss for the year ended March 31, 2017

|  | Notes | March 31, 2017<br>millions | March 31, 2016<br>millions |
|--|-------|----------------------------|----------------------------|
| <b>Revenue</b>   |       |                            |                            |
| Revenue from operations  | 13    | 22.55                      | 15.54                      |
| Other income   | 14    | -                          | 0.00                       |
| <b>Total revenue</b>   |       | <b>22.55</b>               | <b>15.55</b>               |
| <b>Expenses</b>  |       |                            |                            |
| Carriage sharing, pay channel and related costs                            | 15    | 5.58                       | 5.76                       |
| Employee benefits expense  | 16    | 2.86                       | 3.00                       |
| Finance costs  | 17    | 0.00                       | 0.00                       |
| Depreciation and amortisation expenses                                     | 18    | 6.23                       | 6.21                       |
| Other expenses   | 19    | 7.91                       | 2.74                       |
| <b>Total expenses</b>  |       | <b>22.57</b>               | <b>17.71</b>               |
| <b>Loss before prior period expenses</b>                                   |       | <b>(0.03)</b>              | <b>(2.17)</b>              |
| Prior period expenses  |       | -                          | -                          |
| <b>Loss before and after tax</b>   |       | <b>(0.03)</b>              | <b>(2.17)</b>              |
| <b>Tax expenses</b>  |       |                            |                            |
| Current tax  |       | -                          | -                          |
| Tax Prior Period   |       | (0.13)                     | -                          |
| Deferred Tax   |       | (0.12)                     | 0.27                       |
| <b>Profit+ /Loss- for the year</b>   |       | <b>0.22</b>                | <b>(2.44)</b>              |
| Loss per share after tax (₹)   | 20    |                            |                            |
| Basic  |       | 22.02                      | (244.10)                   |
| Diluted  |       | 22.02                      | (244.10)                   |
| Summary of significant accounting policies                                 | 1-2.  |                            |                            |
| The accompanying notes are an integral part of these financial statements. |       |                            |                            |

This is the statement of profit and loss referred to in our report of even date

For

For and on behalf of the Board of Directors of  
**SITI GLOBAL PRIVATE LIMITED**

Director  
DIN:

Director  
DIN:

Place : Noida

Date :

**SITI GLOBAL PVT. LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED**

|    | PARTICULARS  | 31st March 2017 | 31st March 2016 |
|----|--|-----------------|-----------------|
| A. | <b>CASH FLOW FROM OPERATING ACTIVITIES :</b>                   |                 |                 |
|    | Net Profit before tax as per Profit & Loss Account             | (0.03)          | (2.17)          |
|    | <b>Adjustment for :</b>  |                 |                 |
|    | Depreciation and Amortisation                                  | 6.23            | 6.16            |
|    |  |                 |                 |
|    | <b>Operating Profit before Working Capital changes</b>         | <b>6.21</b>     | <b>3.99</b>     |
|    | <b>Adjustment for :</b>  |                 |                 |
|    | Trade and other receivable                                     | (12.74)         | (4.53)          |
|    | Loans and Advances   | -               | 1.01            |
|    | Other Current Assets   | 0.01            | (0.09)          |
|    | Current Liabilities & Provisions                               | 10.26           | 6.34            |
|    |  | <b>(2.47)</b>   | <b>2.73</b>     |
|    | Cash generated from Operations                                 | <b>3.74</b>     | <b>6.72</b>     |
|    | Direct Taxes (Net)   | (0.12)          | -               |
|    | Net cash from Operating Activities                             | <b>3.86</b>     | <b>6.72</b>     |
|    |  |                 |                 |
| B. | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>                   |                 |                 |
|    | (Purchase)/Sale of Fixed Assets including Capital WIP          | (0.01)          | (5.06)          |
|    | Deposits (with Maturity more than 3 month)                     |                 |                 |
|    | Net Cash used in Investing Activities                          |                 |                 |
|    |  |                 |                 |
| C. | <b>CASH FLOW FROM FINANCING ACTIVITIES :</b>                   |                 |                 |
|    | Net Cash from financing Activities                             |                 |                 |
|    |  |                 |                 |
|    | Net Increase/( decrease) in Cash and Cash equivalents ( A+B+C) | <b>3.85</b>     | <b>1.66</b>     |
|    |  |                 |                 |
|    | CASH AND CASH EQUIVALENTS AS AT 01/04/2016                     | 1.79            | 0.13            |
|    | CASH AND CASH EQUIVALENTS AS AT 31/03/2017                     | 5.64            | 1.79            |
|    | Increase/( decrease) in Cash and Cash equivalents              | <b>3.85</b>     | <b>1.66</b>     |

|               | PARTICULARS                                      | 31st March 2017 | 31st March 2016 |
|---------------|--|-----------------|-----------------|
| <b>Notes:</b> |  |                 |                 |
| (a)           | Cash and cash equivalent include the following : |                 |                 |
|               | Cash on Hand                                     | 1.88            | 0.09            |
|               | Balances with banks                              | 3.76            | 1.70            |
|               | Total  | <b>5.64</b>     | <b>1.79</b>     |
|               |  |                 |                 |
|               |  |                 |                 |
|               |  |                 |                 |

SITI GLOBAL PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

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| Tangible assets                     |          |                     |                   |                  |                        |                  |                  |          |                        |                      | ( millions) |                      |
|-------------------------------------|----------|---------------------|-------------------|------------------|------------------------|------------------|------------------|----------|------------------------|----------------------|-------------|----------------------|
| Gross block                         | Building | Plant and equipment | Computers         | Office equipment | Furniture and fixtures | Air conditioners | Studio equipment | Vehicles | Leasehold improvements | Set top boxes        | IRD boxes   | Total                |
| Balance as at April 1, 2015         | -        | -                   | 10,050.00         | -                | -                      | -                | -                | -        | -                      | 44,587,200.00        | -           | 44,597,250.00        |
| Additions                           | -        | 1,626,969.00        | 301,919.00        | -                | 321,784.00             | 37,500.00        | -                | -        | -                      | 3,000,000.00         | -           | 5,288,172.00         |
| Disposal (Rent of Fixed Assets)     | -        | 94,514.00           | 90,704.00         | -                | 36,995.00              | 9,596.00         | -                | -        | -                      | -                    | -           | 231,809.00           |
| <b>Balance as at March 31, 2016</b> | <b>-</b> | <b>1,532,455.00</b> | <b>221,265.00</b> | <b>-</b>         | <b>284,789.00</b>      | <b>27,904.00</b> | <b>-</b>         | <b>-</b> | <b>-</b>               | <b>47,587,200.00</b> | <b>-</b>    | <b>49,653,613.00</b> |
| Additions                           | -        | -                   | -                 | -                | 11,000.00              | -                | -                | -        | -                      | -                    | -           | 11,000.00            |
| Disposal                            | -        | -                   | -                 | -                | -                      | -                | -                | -        | -                      | -                    | -           | -                    |
| <b>Balance as at March 31, 2017</b> | <b>-</b> | <b>1,532,455.00</b> | <b>221,265.00</b> | <b>-</b>         | <b>295,789.00</b>      | <b>27,904.00</b> | <b>-</b>         | <b>-</b> | <b>-</b>               | <b>47,587,200.00</b> | <b>-</b>    | <b>49,664,613.00</b> |
| <b>Accumulated depreciation</b>     |          |                     |                   |                  |                        |                  |                  |          |                        |                      |             |                      |
| Balance as at April 1, 2015         | -        | -                   | 679.00            | -                | -                      | -                | -                | -        | -                      | 1,056,045.00         | -           | 1,056,724.00         |
| Charge for the year                 | -        | 165,841.00          | 64,297.00         | -                | 24,656.00              | 4,832.00         | -                | -        | -                      | 5,898,058.00         | -           | 6,157,684.00         |
| Reversal on disposal of assets      | -        | -                   | -                 | -                | -                      | -                | -                | -        | -                      | -                    | -           | -                    |
| <b>Balance as at March 31, 2016</b> | <b>-</b> | <b>165,841.00</b>   | <b>64,976.00</b>  | <b>-</b>         | <b>24,656.00</b>       | <b>4,832.00</b>  | <b>-</b>         | <b>-</b> | <b>-</b>               | <b>6,954,103.00</b>  | <b>-</b>    | <b>7,214,408.00</b>  |
| Charge for the year                 | -        | 191,032.06          | 73,545.58         | -                | 29,036.77              | 5,565.51         | -                | -        | -                      | 5,932,103.01         | -           | 6,231,282.93         |
| Reversal on disposal of assets      | -        | -                   | -                 | -                | -                      | -                | -                | -        | -                      | -                    | -           | -                    |
| <b>Balance as at March 31, 2017</b> | <b>-</b> | <b>356,873.06</b>   | <b>138,521.58</b> | <b>-</b>         | <b>53,692.77</b>       | <b>10,397.51</b> | <b>-</b>         | <b>-</b> | <b>-</b>               | <b>12,886,206.01</b> | <b>-</b>    | <b>13,445,690.93</b> |
| <b>Net block</b>                    |          |                     |                   |                  |                        |                  |                  |          |                        |                      |             |                      |
| <b>Balance as at March 31, 2016</b> | <b>-</b> | <b>1,366,614.00</b> | <b>156,289.00</b> | <b>-</b>         | <b>260,133.00</b>      | <b>23,072.00</b> | <b>-</b>         | <b>-</b> | <b>-</b>               | <b>40,633,097.00</b> | <b>-</b>    | <b>42,439,205.00</b> |
| <b>Balance as at March 31, 2017</b> | <b>-</b> | <b>1,175,581.94</b> | <b>82,743.42</b>  | <b>-</b>         | <b>242,096.23</b>      | <b>17,506.49</b> | <b>-</b>         | <b>-</b> | <b>-</b>               | <b>34,700,993.99</b> | <b>-</b>    | <b>36,218,922.07</b> |

Note:-

## SITI GLOBAL PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

|    |   |                              |                              |                             |
|----|---|------------------------------|------------------------------|-----------------------------|
| 4  | Trade receivables   | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Unsecured, considered good  | 18.24                        | 5.50                         | 0.97                        |
|    | Unsecured, considered doubtful  | 18.24                        | 5.50                         | 0.97                        |
|    | Less: Provision for doubtful debts  | -                            | -                            | -                           |
|    | Other receivables   | -                            | -                            | -                           |
|    | Unsecured, considered good  | -                            | -                            | -                           |
|    |   | 18.24                        | 5.50                         | 0.97                        |
| 5  | Cash and bank balances  | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Cash and cash equivalents   | -                            | -                            | -                           |
|    | Cash on hand  | 1.88                         | 0.09                         | 0.02                        |
|    | Balances with banks   | -                            | -                            | -                           |
|    | On current accounts   | 3.76                         | 1.70                         | 0.12                        |
|    |   | 5.64                         | 1.79                         | 0.13                        |
| 6  | Others Recoverable  | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Interest accrued and not due on fixed deposits  | -                            | -                            | -                           |
|    | Unbilled revenue  | -                            | -                            | -                           |
|    |   | -                            | -                            | -                           |
| 7  | Other Current Assets  | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Ancillary cost of arranging for borrowings  | -                            | -                            | -                           |
|    | Advance tax (TDS Receivable)  | 0.05                         | 0.02                         | 0.00                        |
|    | Security Deposit  | 0.10                         | 0.10                         | 0.10                        |
|    | Balances with statutory authorities   | -                            | -                            | -                           |
|    | Prepaid expenses (Insurance)  | 0.02                         | 0.02                         | -                           |
|    | Preliminary Expenses W/oil  | 0.10                         | 0.14                         | 0.19                        |
|    |   | 0.26                         | 0.28                         | 0.29                        |
| 8  | Share capital   | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Authorized share capital  | -                            | -                            | -                           |
|    | 10,000 (Previous year: 10,000) equity shares of ` 10 each   | 0.1                          | 0.1                          | 0.1                         |
|    | 10,000 (Previous year: 10,000) equity shares of ` 10 each   | -                            | -                            | 0                           |
|    | Total authorised capital  | 0.10                         | 0.10                         | 0.10                        |
|    | Issued share capital  | -                            | -                            | -                           |
|    | 10,000 (Previous year: 10,000) equity shares of ` 10 each   | 0.1                          | 0.1                          | 0.1                         |
|    | Total issued capital  | 0.10                         | 0.10                         | 0.10                        |
|    | Subscribed and fully paid up capital  | -                            | -                            | -                           |
|    | 10,000 (Previous year: 10,000) equity shares of ` 10 each   | 0.10                         | 0.10                         | 0.10                        |
|    | Total paid up capital   | 0.10                         | 0.10                         | 0.10                        |
| 9  | Other Equity  | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Deficit in the Statement of profit and loss   | -                            | -                            | -                           |
|    | Balance at the beginning of the year  | (7.12)                       | (4.68)                       | -                           |
|    | Add: Adjustment on account of depreciation charge pursuant to implementation of Schedule II of the Companies Act, 2013 (refer note 12(i)) | -                            | -                            | -                           |
|    | Add: Loss for the year  | 0.22                         | (2.44)                       | (4.68)                      |
|    | Balance at the end of the year  | (6.90)                       | (7.12)                       | (4.68)                      |
| 10 | Deferred tax liability (net)  | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    |   | 0.86                         | 0.98                         | 0.71                        |
|    |   | 0.86                         | 0.98                         | 0.71                        |
| 11 | Trade payables  | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Total outstanding dues of micro enterprises and small enterprises; and  | -                            | -                            | -                           |
|    | Total outstanding dues of creditors other than micro enterprises and small enterprises  | 61.71                        | 54.16                        | 48.30                       |
|    |   | 61.71                        | 54.16                        | 48.30                       |
| 12 | Other Current Liabilities   | March 31, 2017<br>` millions | March 31, 2016<br>` millions | April 1, 2015<br>` millions |
|    | Advances from customers   | -                            | -                            | -                           |
|    | Payable for statutory liabilities (refer note 8 (i) below)  | 0.57                         | 1.87                         | 1.39                        |
|    | Others Payable  | 4.00                         | -                            | -                           |
|    | Audit Fees payable  | 0.03                         | 0.03                         | 0.02                        |
|    |   | 4.60                         | 1.90                         | 1.42                        |

SITI GLOBAL PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

|   | March 31, 2017 | March 31, 2016 |
|---|----------------|----------------|
|   | ` millions     | ` millions     |
| <b>13 Revenue from operations</b>                         |                |                |
| Sale of services  |                |                |
| Subscription income                                       | 20.17          | 12.09          |
| Advertisement income                                      | 1.39           | 1.46           |
| Carriage income   | 0.99           | 2.00           |
|   | <b>22.55</b>   | <b>15.54</b>   |
| <b>14 Other income</b>                                    |                |                |
| Income Tax Refund 2015-16                                 | -              | 0.00           |
|   | <b>-</b>       | <b>0.00</b>    |
| <b>15 Carriage sharing, pay channel and related costs</b> |                |                |
| Carriage sharing, pay channel and related costs           | 5.58           | 5.76           |
|   | <b>5.58</b>    | <b>5.76</b>    |
| <b>16 Employee benefits expense</b>                       |                |                |
| Salaries, allowances and bonus                            | 2.70           | 2.76           |
| Contributions to provident and other funds                | 0.09           | -              |
| Staff welfare expenses                                    | 0.07           | 0.24           |
|   | <b>2.86</b>    | <b>3.00</b>    |
| <b>17 Finance costs</b>                                   |                |                |
| Bank charges  | 0.00           | 0.00           |
|   | <b>0.00</b>    | <b>0.00</b>    |
| <b>18 Depreciation and amortisation expenses</b>          |                |                |
| Depreciation of tangible assets                           | 6.23           | 6.21           |
|   | <b>6.23</b>    | <b>6.21</b>    |
| <b>19 Other expenses</b>                                  |                |                |
| Rent  | 0.30           | 0.53           |
| Rates and taxes   | 0.08           | 0.01           |
| Communication expenses                                    | 0.09           | 0.08           |
| Repairs and maintenance                                   |                |                |
| - Network   | 0.22           | 0.07           |
| - Building  | -              | 0.00           |
| - Others  | 0.11           | 0.08           |
| Electricity and water charges                             | 0.24           | 0.38           |
| Legal, professional and consultancy charges               | 0.08           | 0.02           |
| Printing and stationery                                   | 0.03           | 0.03           |
| Security charges  | 0.24           | 0.00           |
| Travelling and conveyance expenses                        | 0.07           | 0.10           |
| Auditors' remuneration*                                   | 0.03           | 0.03           |
| Insurance expenses  | 0.03           | 0.01           |
| Preliminary Expenses                                      | 0.05           | -              |
| Bad debts   | 0.00           | -              |
| Program production expenses                               | 0.27           | 0.11           |
| Other operational cost                                    | 5.90           | 1.19           |
| Business and sales promotion                              | 0.09           | -              |
| Miscellaneous expenses                                    | 0.08           | 0.10           |
|   | <b>7.91</b>    | <b>2.74</b>    |
| <b>*Auditors' remuneration as an auditor</b>              | <b>0.03</b>    | <b>0.03</b>    |

## SITI GLOBAL PRIVATE LIMITED

## Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

| 20 Earnings per share                    | March 31, 2017 | March 31, 2016 |
|--|----------------|----------------|
|  | ` millions     | ` millions     |
| Loss attributable to equity shareholders | 0.22           | (2.44)         |
| Number of weighted average equity shares |                |                |
| Basic                                    | 10,000         | 10,000         |
| Diluted                                  | 10,000         | 10,000         |
| Nominal value of per equity share ( ` )  | 10             | 10             |
| Loss per share after tax ( ` )           |                |                |
| Basic                                    | 22.02          | (244.10)       |
| Diluted                                  | 22.02          | (244.10)       |

**SITI GLOBAL PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

21 Fair value measurements

A. Financial instruments by category

|  | NOTES | millions       |                |
|--|-------|----------------|----------------|
|  |       | March 31, 2017 |                |
|  |       | FVTPL          | Amortised cost |
| <b>Financial assets</b>                                |       |                |                |
| Bank deposits  |       | -              | -              |
| Amount recoverable                                     |       | -              | -              |
| Interest accrued and not due on fixed deposits         |       | -              | -              |
| Security deposits                                      |       | -              | -              |
| Investment (Non- current, financial assets)            |       | -              | -              |
| Unbilled revenues                                      |       | -              | -              |
| Trade receivables                                      | 4     | -              | 18.24          |
| Investment (Current, financial assets)                 |       | -              | -              |
| Cash and cash equivalents                              | 5     | -              | 5.64           |
| <b>Total financial assets</b>                          |       | -              | <b>23.89</b>   |
| <b>Financial liabilities</b>                           |       |                |                |
| Borrowings (non-current, financial liabilities)        |       | -              | -              |
| Borrowings (current, financial liabilities)            |       | -              | -              |
| Payables for purchase of property, plant and equipment |       | -              | -              |
| Security deposits received from customer               |       | -              | -              |
| Trade payables   | 11    | -              | 61.71          |
| Other financial liabilities (current)                  |       | -              | -              |
| <b>Total financial liabilities</b>                     |       | -              | <b>61.70</b>   |
|  |       |                |                |
|  |       | millions       |                |
|  |       | March 31, 2016 |                |
|  |       | FVTPL          | Amortised cost |
| <b>Financial assets</b>                                |       |                |                |
| Bank deposits  |       | -              | -              |
| Amount recoverable                                     |       | -              | -              |
| Interest accrued and not due on fixed deposits         |       | -              | -              |
| Security deposits                                      |       | -              | -              |
| Investment (Non- current, financial assets)            |       | -              | -              |
| Unbilled revenues                                      |       | -              | -              |
| Trade receivables                                      | 4     | -              | 5.50           |
| Investment (Current, financial assets)                 |       | -              | -              |
| Cash and cash equivalents                              | 5     | -              | 1.79           |
| <b>Total financial assets</b>                          |       | -              | <b>7.28</b>    |
| <b>Financial liabilities</b>                           |       |                |                |
| Borrowings (non-current, financial liabilities)        |       | -              | -              |
| Payables for purchase of property, plant and equipment |       | -              | -              |
| Security deposits                                      |       | -              | -              |
| Trade payables   | 11    | -              | 54.16          |
| Other financial liabilities (current)                  |       | -              | -              |
| <b>Total financial liabilities</b>                     |       | -              | <b>54.16</b>   |
|  |       |                |                |
|  |       | millions       |                |
|  |       | April 01, 2015 |                |
|  |       | FVTPL          | Amortised Cost |
| <b>Financial assets</b>                                |       |                |                |
| Bank deposits  |       | -              | -              |
| Amount recoverable                                     | 6     | -              | 1.01           |
| Interest accrued and not due on fixed deposits         |       | -              | -              |
| Security deposits                                      |       | -              | -              |
| Investment (Non- current, financial assets)            |       | -              | -              |
| Unbilled revenues                                      |       | -              | -              |
| Trade receivables                                      | 4     | -              | 0.97           |
| Investment (Current, financial assets)                 |       | -              | -              |
| Cash and cash equivalents                              | 5     | -              | 0.13           |
| <b>Total financial assets</b>                          |       | -              | <b>2.11</b>    |
| <b>Financial liabilities</b>                           |       |                |                |
| Borrowings (non-current, financial liabilities)        |       | -              | -              |
| Borrowings (current, financial liabilities)            |       | -              | -              |
| Payables for purchase of property, plant and equipment |       | -              | -              |
| Security deposits                                      |       | -              | -              |
| Trade payables   | 11    | -              | 48.30          |
| Other financial liabilities (current)                  |       | -              | -              |
| <b>Total financial liabilities</b>                     |       | -              | <b>48.30</b>   |



**SITI GLOBAL PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

**B. Financial instruments measured at fair value**

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on March 31, 2017, March 31, 2016 and April 01, 2015 as follows:

| March 31, 2017                                  | Date of Valuation | Level 1 | Level 2 | Level 3 |
|---|-------------------|---------|---------|---------|
| <b>Financial assets</b>                         |                   |         |         |         |
| Mutual funds                                    | At March 31, 2017 | -       | -       | -       |
| Investment in optionally convertible debentures | At March 31, 2017 | -       | -       | -       |

| March 31, 2016                                  | Date of Valuation | Level 1 | Level 2 | Level 3 |
|---|-------------------|---------|---------|---------|
| <b>Financial assets</b>                         |                   |         |         |         |
| Mutual funds                                    | At March 31, 2016 | -       | -       | -       |
| Investment in optionally convertible debentures | At March 31, 2016 | -       | -       | -       |

| April 01, 2015          | Date of Valuation | Level 1 | Level 2 | Level 3 |
|-------------------------|-------------------|---------|---------|---------|
| <b>Financial assets</b> |                   |         |         |         |
| Mutual funds            | At March 31, 2015 | -       | -       | -       |

The following table presents the changes in level 3 items for the periods ended 31 March 2017 and 31 March 2016:

| Particulars                                      | Amount in millions |
|--|--------------------|
| <b>As at April 01, 2015</b>                      | -                  |
| Acquired during the year                         | -                  |
| <b>As at March 31, 2016</b>                      | -                  |
| Additions during the year                        | -                  |
| Gains recognised in statement of profit and loss | -                  |
| <b>As at March 31, 2017</b>                      | -                  |

| Significant unobservable input | Estimate of the input | Sensitivity of the fair value measurement to input |
|--------------------------------|-----------------------|--|
|                                |                       |  |

**C. Fair value of financial assets and liabilities measured at amortised cost**

|  | March 31, 2017  |              | March 31, 2016  |              |
|--|-----------------|--------------|-----------------|--------------|
|  | Carrying Amount | Fair Value   | Carrying Amount | Fair Value   |
| <b>Financial assets</b>                                |                 |              |                 |              |
| Bank deposits  | -               | -            | -               | -            |
| Amount recoverable                                     | -               | -            | -               | -            |
| Interest accrued and not due on fixed deposits         | -               | -            | -               | -            |
| Security deposits                                      | -               | -            | -               | -            |
| Investment (Non-current, financial assets)             | -               | -            | -               | -            |
| Unbilled revenue                                       | -               | -            | -               | -            |
| Trade receivables                                      | 18.24           | 18.24        | 5.50            | 5.50         |
| Cash and cash equivalents                              | 5.64            | 5.64         | 1.79            | 1.79         |
| <b>Total financial assets</b>                          | <b>23.89</b>    | <b>23.89</b> | <b>7.28</b>     | <b>7.28</b>  |
| <b>Financial liabilities</b>                           |                 |              |                 |              |
| Borrowings (non-current, financial liabilities)        | -               | -            | -               | -            |
| Borrowings (current, financial liabilities)            | -               | -            | -               | -            |
| Payables for purchase of property, plant and equipment | -               | -            | -               | -            |
| Security deposits                                      | -               | -            | -               | -            |
| Trade payables   | 61.71           | 61.71        | 54.16           | 54.16        |
| <b>Other financial liabilities (current)</b>           | -               | -            | -               | -            |
| <b>Total financial liabilities</b>                     | <b>61.70</b>    | <b>61.70</b> | <b>54.16</b>    | <b>54.16</b> |

**SITI GLOBAL PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

|  | in million      |              |
|--|-----------------|--------------|
|  | April 01, 2015  |              |
|  | Carrying Amount | Fair Value   |
| <b>Financial assets</b>                                |                 |              |
| Bank deposits  | -               | -            |
| Amount recoverable                                     | 1.01            | 1.01         |
| Interest accrued and not due on fixed deposits         | -               | -            |
| Security deposits                                      | -               | -            |
| Investment (Non-current, financial assets)             | -               | -            |
| Unbilled revenue                                       | -               | -            |
| Trade receivables                                      | 0.97            | 0.97         |
| Cash and cash equivalents                              | 0.13            | 0.13         |
| <b>Total financial assets</b>                          | <b>2.11</b>     | <b>2.11</b>  |
| <b>Financial liabilities</b>                           |                 |              |
| Borrowings (non-current, financial liabilities)        | -               | -            |
| Borrowings (current, financial liabilities)            | -               | -            |
| Payables for purchase of property, plant and equipment | -               | -            |
| Security deposits                                      | -               | -            |
| Trade payables   | 48.30           | 48.30        |
| <b>Other financial liabilities (current)</b>           | <b>-</b>        | <b>-</b>     |
| <b>Total financial liabilities</b>                     | <b>48.30</b>    | <b>48.30</b> |

**22 First time adoption of Ind AS**

**Transition to Ind AS**

These are the Company's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS standalone balance sheet at April 01, 2015 (the date of transition). In preparing its opening Ind AS standalone balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**Use of deemed cost for investments in subsidiaries, jointly controlled entities and associates**

The balance of the investment in subsidiaries and joint controlled entities at the date of transition to Ind AS, determined in accordance with the previous GAAP as the deemed cost of the investment at initial recognition.

**Exchange differences on long-term foreign currency monetary items**

Under previous GAAP, the company applied paragraph 46A of AS 11 whereby exchange differences arising from translation of long-term foreign currency monetary items were capitalized/deferred. On transition to Ind AS first time adopter is permitted to continue policy adopted for accounting for such exchange differences recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The Company has opted for this exemption and continued its previous GAAP policy for accounting of exchange differences on long-term foreign currency monetary items recognized in the previous GAAP financial statements for the year ended March 31, 2016.

Under previous GAAP foreign exchange gain/loss on long term foreign currency monetary items recognized upto March 31, 2016 has been deferred/capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets.

From accounting periods commencing on or after April 01, 2016, exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post April 01, 2016, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss.

**B: Ind AS mandatory exceptions**

**Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVTOCI.
- Impairment of financial assets based on expected credit loss model.

**Classification and measurement of financial assets and liabilities**

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when an entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- The effects of the retrospective application or retrospective restatement are not determinable;
- The retrospective application or restatement requires assumptions about what management's intent would have been in that period;
- The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

**SITI GLOBAL PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

**C: Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**Reconciliation of previous GAAP and Ind AS impact for Balance Sheet (April 01, 2015)**

|  |               | in million         |               |  |
|--|---------------|--------------------|---------------|--|
| Note reference                             | Previous GAAP | IND AS Adjustments | Ind AS        |  |
| <b>ASSETS</b>                              |               |                    |               |  |
| <b>Non-current assets</b>                  |               |                    |               |  |
| a)Property, Plant and Equipment            | 3             | 43.54              | 43.54         |  |
| b)Capital work-in-progress                 |               | -                  | -             |  |
| c)Intangibles assets                       |               | -                  | -             |  |
| d)Intangibles assets under Development     |               | -                  | -             |  |
| e)Financial Assets                         |               | -                  | -             |  |
| i)Trade receivable                         |               | -                  | -             |  |
| ii) Investments                            |               | -                  | -             |  |
| iii) Others                                |               | -                  | -             |  |
| f)Other non-current assets                 |               | -                  | -             |  |
|  |               | <b>43.54</b>       | <b>43.54</b>  |  |
| <b>Current assets</b>                      |               |                    |               |  |
| a)Inventories                              |               | -                  | -             |  |
| b)Financial Assets                         |               | -                  | -             |  |
| i)Trade receivable                         | 4             | 0.97               | 0.97          |  |
| ii)Cash and cash equivalents               | 5             | 0.13               | 0.13          |  |
| iii)Investments                            |               | -                  | -             |  |
| iv)Others                                  | 6             | 1.01               | 1.01          |  |
| c)Other current assets                     | 7             | 0.19               | 0.19          |  |
|  |               | <b>2.30</b>        | <b>2.30</b>   |  |
|  |               | <b>45.84</b>       | <b>45.84</b>  |  |
| in million                                 |               |                    |               |  |
| <b>EQUITY AND LIABILITIES</b>              |               |                    |               |  |
| <b>Equity</b>                              |               |                    |               |  |
| a)Equity Share Capital                     | 8             | 0.10               | 0.10          |  |
| b)Other Equity                             | 9             | (4.68)             | (4.68)        |  |
| i)Retained Earnings                        |               | -                  | -             |  |
| ii)Other Components of Equity              |               | -                  | -             |  |
| iii)Money Received against shares warrants |               | -                  | -             |  |
|  |               | <b>(4.58)</b>      | <b>(4.58)</b> |  |
| <b>LIABILITIES</b>                         |               |                    |               |  |
| <b>Non-current liabilities</b>             |               |                    |               |  |
| a)Financial liabilities                    |               | -                  | -             |  |
| i)Borrowings                               |               | -                  | -             |  |
| ii)Other financial liabilities             |               | -                  | -             |  |
| b) Provisions                              |               | -                  | -             |  |
| c) Deferred Tax Liability(net)             | 10            | 0.71               | 0.71          |  |
| d)Other non-current liabilities            |               | -                  | -             |  |
|  |               | <b>0.71</b>        | <b>0.71</b>   |  |
| <b>Current liabilities</b>                 |               |                    |               |  |
| a)Financial liabilities                    |               | -                  | -             |  |
| i)Borrowings                               |               | -                  | -             |  |
| ii)Trade payables                          | 11            | 48.30              | 48.30         |  |
| iii)Other financial liabilities            |               | -                  | -             |  |
| b)Provisions                               |               | -                  | -             |  |
| c)Other current liabilities                | 12            | 1.42               | 1.42          |  |
| <b>Total current liabilities</b>           |               | <b>49.72</b>       | <b>49.72</b>  |  |
|  |               | <b>50.43</b>       | <b>50.43</b>  |  |
| <b>Total equity and liabilities</b>        |               | <b>45.85</b>       | <b>45.85</b>  |  |

**Reconciliation of previous GAAP and IndAS impact for Balance Sheet (March 31, 2016)**

|  |               | in million   |              |  |
|--|---------------|--------------|--------------|--|
|  | Previous GAAP | Adjustments  | Ind AS       |  |
| <b>ASSETS</b>                          |               |              |              |  |
| <b>Non-current assets</b>              |               |              |              |  |
| a)Property, Plant and Equipment        | 3             | 42.44        | 42.44        |  |
| b)Capital work-in-progress             |               | -            | -            |  |
| c)Intangibles assets                   |               | -            | -            |  |
| d)Intangibles assets under Development |               | -            | -            |  |
| e)Financial Assets                     |               | -            | -            |  |
| i)Trade receivable                     |               | -            | -            |  |
| ii) Investments                        |               | -            | -            |  |
| iii) Others                            |               | -            | -            |  |
| e)Other non current assets             |               | -            | -            |  |
|  |               | <b>42.44</b> | <b>42.44</b> |  |

**SITI GLOBAL PRIVATE LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**
**Current assets**

|                               |   |              |          |              |
|-------------------------------|---|--------------|----------|--------------|
| a) Inventories                |   | -            | -        | -            |
| <b>b) Financial Assets</b>    |   |              |          |              |
| i) Trade receivable           | 4 | 5.50         | -        | 5.50         |
| ii) Cash and cash equivalents | 5 | 1.79         | -        | 1.79         |
| iii) Investments              |   | -            | -        | -            |
| iv) Others                    |   | -            | -        | -            |
| c) Other current assets       | 7 | 0.28         | -        | 0.28         |
|                               |   | <b>7.57</b>  | <b>-</b> | <b>7.57</b>  |
|                               |   | <b>50.01</b> | <b>-</b> | <b>50.01</b> |

Previous GAAP      Adjustments      Ind AS

**EQUITY AND LIABILITIES**
**Equity**

|   |   |               |          |               |
|---|---|---------------|----------|---------------|
| a) Equity Share Capital                     | 8 | 0.10          | -        | 0.10          |
| b) Other Equity                             | 9 | (7.12)        | -        | (7.12)        |
| i) Retained Earnings                        |   | -             | -        | -             |
| ii) Other Components of Equity              |   | -             | -        | -             |
| iii) Money Received against shares warrants |   | -             | -        | -             |
|   |   | <b>(7.02)</b> | <b>-</b> | <b>(7.02)</b> |

**LIABILITIES**
**Non-current liabilities**

|                                  |    |             |          |             |
|----------------------------------|----|-------------|----------|-------------|
| a) Financial Liabilities         |    |             |          |             |
| i) Borrowings                    |    | -           | -        | -           |
| ii) Other Financial Liabilities  |    | -           | -        | -           |
| b) Provisions                    |    | -           | -        | -           |
| c) Other non current liabilities | 10 | 0.98        | -        | 0.98        |
|                                  |    | <b>0.98</b> | <b>-</b> | <b>0.98</b> |

**Current liabilities**

|                                  |    |              |          |              |
|----------------------------------|----|--------------|----------|--------------|
| a) Financial Liabilities         |    |              |          |              |
| i) Borrowings                    |    | -            | -        | -            |
| ii) Trade payables               | 11 | 54.16        | -        | 54.16        |
| iii) Other Financial Liabilities |    | -            | -        | -            |
| b) Provisions                    |    | -            | -        | -            |
| c) Other current liabilities     | 12 | 1.90         | -        | 1.90         |
| <b>Total current liabilities</b> |    | <b>56.05</b> | <b>-</b> | <b>56.05</b> |
|                                  |    | <b>57.03</b> | <b>-</b> | <b>57.03</b> |

**Total equity and liabilities**

**50.01                      -                      50.01**

**Reconciliation of total comprehensive income for the year ended March 31, 2016.**

in million

|                          |    | Previous GAAP | Adjustments | Ind AS       |
|--------------------------|----|---------------|-------------|--------------|
| <b>Income</b>            |    |               |             |              |
| Revenues from operations | 13 | 15.54         | -           | 15.54        |
| Other income             | 14 | 0.00          | -           | 0.00         |
| <b>Total Income</b>      |    | <b>15.55</b>  | <b>-</b>    | <b>15.55</b> |

**Expenses**

|   |  |          |          |          |
|---|--|----------|----------|----------|
| Purchase of traded goods                              |  | -        | -        | -        |
| Carriage sharing, pay channel and related costs       |  | -        | -        | -        |
| Employee benefits expense                             |  | -        | -        | -        |
| Finance costs   |  | -        | -        | -        |
| Depreciation and amortisation of non-financial assets |  | -        | -        | -        |
| Other expenses  |  | -        | -        | -        |
| <b>Total Expenses</b>                                 |  | <b>-</b> | <b>-</b> | <b>-</b> |

**Profit before exceptional item and tax**

|                                 |  |              |          |              |
|---------------------------------|--|--------------|----------|--------------|
| Prior period items              |  | -            | -        | -            |
| <b>Profit/(Loss) before tax</b> |  | <b>15.55</b> | <b>-</b> | <b>15.55</b> |

**Other Comprehensive Income**

Items that will not be reclassified to profit or loss in subsequent periods

|  |  |              |          |              |
|--|--|--------------|----------|--------------|
| Remeasurement of defined benefit liability |  | -            | -        | -            |
| <b>Total comprehensive income</b>          |  | <b>15.55</b> | <b>-</b> | <b>15.55</b> |

**Reconciliation of total equity as at March 31, 2016 and April 01, 2015**

in million

|  | Notes to first time adoption | March 31, 2016 | April 01, 2015 |
|--|------------------------------|----------------|----------------|
| Total equity (shareholder's funds) as per previous GAAP  |                              | (7.02)         | (4.58)         |
| <b>Adjustments:</b>  |                              |                |                |
| Optionally fully convertible debentures classified to equity   |                              | -              | -              |
| Redeemable preference shares transferred to liability  |                              | -              | -              |
| Effect of recognising interest expense on long-term borrowings and advances as per effective interest method |                              | -              | -              |
| Effect of provision for expected credit loss   |                              | -              | -              |
| Measurement of financial assets at fair value through profit and loss  |                              | -              | -              |
| Effect of recognition of activation and set top boxes pairing charges  |                              | -              | -              |
| Effects of prior period items  |                              | -              | -              |
| Other  |                              | -              | -              |
| <b>Total adjustments</b>   |                              | <b>(7.02)</b>  | <b>(4.58)</b>  |
| <b>Total equity as per Ind AS</b>  |                              | <b>(7.02)</b>  | <b>(4.58)</b>  |

## SITI GLOBAL PRIVATE LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

#### Reconciliation of total comprehensive income for the year ended 31 March 2016

|  | * in million  |
|--|---------------|
|  | 31 March 2016 |
| Notes to first time adoption   |               |
| Net loss after tax as reported under previous GAAP for March 31, 2016  | (2.44)        |
| Effect of recognising interest expense on long term borrowings and advances as per effective interest method | -             |
| Measurement of financial assets and financial liabilities at amortise cost                                   | -             |
| Effect of provision for expected credit loss   | -             |
| Measurement of financial asset at fair value through profit and loss   | -             |
| Effect of recognition of activation and set top boxes pairing charges  | -             |
| Remeasurement of employee benefit obligation to other comprehensive income                                   | -             |
| Effects of prior period items  | -             |
| Other  | -             |
| <b>Net loss after tax as reported under Ind AS for March 31, 2016</b>  | <b>(2.44)</b> |
| Other comprehensive income after tax   | -             |
| <b>Total comprehensive income</b>  | <b>(2.44)</b> |

#### Note 1: Interest Free Advances and Security Deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits and advances under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised according to the nature of the respective deposit or advance.

#### Note 2(a): Trade Receivables

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. IND-AS 109 requires entities to recognise loss allowances on an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk of the borrower. Lifetime expected credit losses are required to be estimated based on the present value of all expected cash shortfalls over the remaining life of the financial instrument. Lifetime expected credit losses are an expected present value measure of losses that arise if a borrower defaults on their obligation throughout the life of the financial instrument. They are the weighted average credit losses with the probability of default as the weight.

#### Note 2(b): Trade Receivables

In the financial year 2015-16, the Company has sold certain number of set-top boxes on deferred credit terms. The revenue is recognised on the basis of the fair value of the transaction entered.

#### Note 3: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value through profit and loss where fair value gains or losses are recognised in profit

#### Note 4: Borrowings and advances

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Further, long term advances are initially recognised at fair value by applying the effective interest method. Under previous GAAP, these transaction cost on long term borrowings were amortised over the term of the borrowings.

#### Note 5: Deferred Revenue

Under the previous GAAP, upfront amount charged as activation was being taken to Revenue. Under IND AS, company has deferred the activation income over the customer relationship period of 4 years and carried the deferred portion on the transition date under deferred revenue.

#### Note 6: Convertible Instruments

Under IND AS 109, a financial instrument should be classified by the issuer upon initial recognition as a financial liability or an equity instrument according to the substance of the contractual arrangement rather than its actual form and the definitions of financial liability and an equity instrument. Accordingly the company has classified optionally convertible debentures and redeemable preference shares from liability to equity.

#### Note 7: Deferred tax

Retained earnings has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

#### Note 8: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the loss for the year ended March 31, 2016 increased by ₹ 0.30 million. There is no impact on the total equity as at March 31, 2016.

#### Note 9: Retained Earnings

Retained earnings as at April 01, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

#### Note 10: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVOCI equity instruments. Comprehensive income related recognition, measurement and disclosures did not exist under previous GAAP.

### Financial risk management objectives and policies

#### Financial risk management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the board of directors, and focuses on securing Company's short to medium term cash flows.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in these standalone financial statements.

## SITI GLOBAL PRIVATE LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

#### 23 A. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

#### Credit risk management

##### Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial

A: Low credit risk on financial reporting date

B: High credit risk

The Company provides for expected credit loss based on the following:

| Asset group      | Basis of categorisation   | Provision for expected credit loss                   |
|------------------|---|--|
| Low credit risk  | Investment, Cash and cash equivalents, trade receivable and other | 12 month expected credit loss                        |
| High credit risk | Trade receivables, security deposits and amount recoverable       | Life time expected credit loss or fully provided for |

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

| Credit rating       | Particulars  | * in million   |                |                |
|---------------------|--|----------------|----------------|----------------|
|                     |  | March 31, 2017 | March 31, 2016 | April 01, 2015 |
| A: Low credit risk  | Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable | 23.88          | 7.29           | 2.11           |
| B: High credit risk | Trade receivables, security deposits and amount recoverable  | 18.24          | 5.50           | 1.98           |

#### Concentration of trade receivables

The Company has widespread customers and there is no concentration of trade receivables.

Expected credit loss for trade receivables under simplified approach as at March 31, 2017

| Ageing               | * in million                               |                        |   |
|----------------------|--|------------------------|---|
|                      | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Trade receivables    | 18.24                                      | -                      | 18.24                                       |
| Security deposits    | -  | -                      | -   |
| Advances recoverable | 0.20                                       | -                      | 0.20  |

as at March 31, 2016

| Ageing               | * in million                               |                        |   |
|----------------------|--|------------------------|---|
|                      | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Trade receivables    | 5.50                                       | -                      | 5.50  |
| Security deposits    | -  | -                      | -   |
| Advances recoverable | 0.24                                       | -                      | 0.24  |

as at April 01, 2015

| Ageing               | * in million                               |                        |   |
|----------------------|--|------------------------|---|
|                      | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
| Trade receivables    | 0.97                                       | -                      | 0.97  |
| Security deposits    | -  | -                      | -   |
| Advances recoverable | 1.20                                       | -                      | 1.20  |

Reconciliation of loss allowance provision – Trade receivable, security deposit and accounts receivable

|                                  |   |
|----------------------------------|---|
| Loss allowance on April 01, 2015 | - |
| Changes in loss allowance        | - |
| Loss allowance on March 31, 2016 | - |
| Changes in loss allowance        | - |
| Loss allowance on March 31, 2017 | - |

#### B. Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each balance sheet date. Long-term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

## SITI GLOBAL PRIVATE LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

|  | in million            |                     |                        |
|--|-----------------------|---------------------|------------------------|
|  | Less than one<br>year | One to two<br>years | More than two<br>years |
| <b>Contractual maturities of financial liabilities</b> |                       |                     |                        |
| <b>March 31, 2017</b>                                  |                       |                     |                        |
| <b>Non-derivatives</b>                                 |                       |                     |                        |
| Borrowings (non-current, financial liabilities)        | -                     | -                   | -                      |
| Borrowings (current, financial liabilities)            | -                     | -                   | -                      |
| Other financial liabilities                            | -                     | -                   | -                      |
| Trade payables   | 61.71                 | -                   | -                      |
| <b>Total non-derivative liabilities</b>                | <b>61.71</b>          | <b>-</b>            | <b>-</b>               |
| <b>March 31, 2016</b>                                  |                       |                     |                        |
| <b>Non-derivatives</b>                                 |                       |                     |                        |
| Borrowings (non-current, financial liabilities)        | -                     | -                   | -                      |
| Borrowings (current, financial liabilities)            | -                     | -                   | -                      |
| Other financial liabilities                            | -                     | -                   | -                      |
| Trade payables   | 54.16                 | -                   | -                      |
| <b>Total non-derivative liabilities</b>                | <b>54.16</b>          | <b>-</b>            | <b>-</b>               |
| <b>April 01, 2015</b>                                  |                       |                     |                        |
| <b>Non-derivatives</b>                                 |                       |                     |                        |
| Borrowings (non-current, financial liabilities)        | -                     | -                   | -                      |
| Borrowings (current, financial liabilities)            | -                     | -                   | -                      |
| Other financial liabilities                            | -                     | -                   | -                      |
| Trade payables   | 48.30                 | -                   | -                      |
| <b>Total non-derivative liabilities</b>                | <b>48.30</b>          | <b>-</b>            | <b>-</b>               |

#### C. Market Risk

The Company has foreign currency borrowings in the form of buyers credit and is exposed to change in the exchange rates. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows.

##### (i) Foreign currency risk

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

|  | in million     |                |                |
|--|----------------|----------------|----------------|
|  | March 31, 2017 | March 31, 2016 | April 01, 2015 |
| <b>Financial assets (A)</b>                          | -              | -              | -              |
| Trade receivables                                    | -              | -              | -              |
| <b>Financial liabilities (B)</b>                     | -              | -              | -              |
| Buyer's credit                                       | -              | -              | -              |
| Payable to vendors for property, plant and equipment | -              | -              | -              |
| Trade payables                                       | -              | -              | -              |
| <b>Net exposure (B-A)</b>                            | <b>-</b>       | <b>-</b>       | <b>-</b>       |

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

|  | Impact on loss after tax |                |
|--|--------------------------|----------------|
|  | March 31, 2017           | March 31, 2016 |
| (₹) / USD increased by 5% (previous year 5%) | -                        | -              |
| (₹) / USD decreased by 5% (previous year 5%) | -                        | -              |

##### (ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

##### (a) Interest rate risk exposure

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates.

|                          | in million     |                |                |
|--------------------------|----------------|----------------|----------------|
|                          | March 31, 2017 | March 31, 2016 | April 01, 2015 |
| Variable rate borrowings | -              | -              | -              |
| Fixed rate borrowings    | -              | -              | -              |
| <b>Total borrowings</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>       |

##### (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

|   | Impact on loss after tax |                |
|---|--------------------------|----------------|
|   | March 31, 2017           | March 31, 2016 |
| Interest rates – increase by 100 basis points (31 March 2016 150 bps) * | -                        | -              |
| Interest rates – decrease by 100 basis points (31 March 2016 150bps) *  | -                        | -              |

## 24 Capital management

### Risk Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt). The Company is not subject to any externally imposed capital requirements. Net debt are non-current and current borrowings as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

**SITI GLOBAL PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

| Particular  | in million     |                |                |
|---|----------------|----------------|----------------|
|   | March 31, 2017 | March 31, 2016 | April 01, 2015 |
| Cash and cash equivalents (refer note 11)                       | 5.64           | 1.79           | 0.13           |
| Current investments (refer note 12)                             | -              | -              | -              |
| Margin money (refer note 7)                                     | -              | -              | -              |
| <b>Total cash (A)</b>   | <b>5.64</b>    | <b>1.78</b>    | <b>0.13</b>    |
| Borrowings (non-current, financial liabilities) (refer note 16) | -              | -              | -              |
| Borrowings (current, financial liabilities) (refer note 20)     | -              | -              | -              |
| Current maturities of long-term borrowings (refer note 22)      | -              | -              | -              |
| Current maturities of finance lease obligations (refer note 22) | -              | -              | -              |
| <b>Total borrowing (B)</b>                                      | <b>-</b>       | <b>-</b>       | <b>-</b>       |
| <b>Net debt (C=B-A)</b>   | <b>-5.64</b>   | <b>-1.79</b>   | <b>-0.13</b>   |
| Total equity  | 4.39           | (7.02)         | (4.58)         |
| <b>Total capital (equity + net debts) (D)</b>                   | <b>-1.26</b>   | <b>-8.82</b>   | <b>-4.72</b>   |
| <b>Gearing ratio (C/D)</b>                                      | <b>4.50</b>    | <b>0.20</b>    | <b>0.03</b>    |

**Disclosure on Specified Bank Notes (SBN's)**

As required by Ministry of Corporate Affairs notification G.S.R. 308(12) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise details of SBN and other notes is given below:

|   | SBN      | Other denomination notes | Total       |
|---|----------|--------------------------|-------------|
| Closing cash on hand as on November 08, 2016        | 0.59     | 1.37                     | 1.96        |
| (+) Amount withdrawn from banks                     | -        | -                        | -           |
| (+) Permitted receipts                              | -        | 0.97                     | 0.97        |
| (-) Permitted payments                              | (0.08)   | (0.01)                   | (0.09)      |
| (-) Amount deposited in banks                       | (0.51)   | (0.32)                   | (0.83)      |
| <b>Closing cash on hand as on December 30, 2016</b> | <b>-</b> | <b>2.01</b>              | <b>2.01</b> |

\*Represents amount directly deposited by certain customers/bank collection service agents in bank accounts of the Company.

**25 Tax Expense**

The major components of income tax for the year are as under:

| Income tax related to items recognised directly in the statement of profit and | in million     |                |
|--|----------------|----------------|
|  | March 31, 2017 | April 01, 2016 |
| Current tax - current year   | (0.13)         | -              |
| Deferred tax charge / (benefit)  | -0.1           | 0.3            |
| <b>Total</b>   | <b>-0.3</b>    | <b>0.3</b>     |
| Effective tax rate   | 988.09%        | -12.6%         |

**A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income**

|   |             |            |
|---|-------------|------------|
| Loss before tax   | -0.0        | -2.2       |
| Effective tax rate  | 30.9%       | 30.9%      |
| Tax at statutory income tax rate                                  | -           | -          |
| Tax effect on non-deductible expenses                             | -           | -          |
| Additional allowances for tax purposes                            | -           | -          |
| Effect of tax on group companies incurring losses                 | -           | -          |
| Effect of tax rate difference of subsidiaries                     | -           | -          |
| Other permanent difference  | -0.3        | 0.3        |
| <b>Tax expense recognised in the statement of profit and loss</b> | <b>-0.3</b> | <b>0.3</b> |



## **NOTE –1 :SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING31<sup>st</sup> MARCH, 2017**

### **1.1 CORPORATE INFORMATION:**

Siti Global Private Limited (hereinafter referred to as the 'Company') is engaged in the business of providing cable TV services to the end consumers.

### **1.2 BASIS OF PREPARATION:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements are the first financial statements of the Company under Ind AS.

The accounting policies have been consistently applied by the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

### **1.3 USE OF ESTIMATES:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

### **1.4 RECOGNITION OF REVENUE:**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction. Service income is recognized as per the terms of contracts with customers when the related services are performed, or the agreed milestones are achieved.

### **1.5 RECOGNITION OF INCOME AND EXPENSE:**

Items of income and expenditure are recognized on accrual basis.

## **1.6 PLANT, PROPERTY AND EQUIPMENT:**

Plant, properties and equipments are carried at the cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation / amortization on plant, properties and equipments is provided at rates computed on the basis of useful life of assets as specified in Schedule II of the Companies Act, 2013 except in case of intangible assets and leasehold improvements on which depreciation is provided at rate as mentioned below which in view of the management represents the useful life of assets. Assets costing less than Rs 5,000 each, are depreciated in full excluding residual value as per Schedule II, in year of purchase.

### **Asset categoryRate of depreciation/ amortization**

|                        |   |
|------------------------|---|
| Intangible assets      | Straight Line Method                                  |
| Leasehold improvements | Over the lease term or useful life whichever is lower |

## **1.7 INVESTMENTS:**

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

However, during the current year the company does not have any Investments.

## **1.8 INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, the company does not have any inventory during the current year.

## **1.9 INCOME TAXES:**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

## **1.10 EVENTS OCCURRING AFTER BALANCE SHEET DATE:**

Events occurring after balance sheet date which affect the financial position to a material extent are taken into cognizance, if any.

### **1.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Liabilities are generally not provided for in the accounts are shown separately under notes to the accounts if any.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**NOTE – 2: EXPLANATORY/ CLARIFICATORY NOTES:**

- 2.1 No dividend has been proposed by the Directors of the Company due to nominal profits of the company.
- 2.2 Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- 2.3 In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.
- 2.4 **Auditors Remuneration:2016-17**

| <b><u>SL. NO.</u></b> | <b><u>PARTICULARS</u></b> | <b><u>F/Y 2016-17</u></b> | <b><u>F/Y 2015-16</u></b> |
|-----------------------|---------------------------|---------------------------|---------------------------|
| <b>1.</b>             | <b>AUDIT FEES</b>         | <b>Rs. 34,500/-</b>       | <b>Rs. 28,625/-</b>       |

**2.5 RELATED PARTY DISCLOSURES:-**

**Names of related parties:**

|  |                   |
|--|-------------------|
| Siti Networks Limited (formerly Siti Cable Network Limited)  | Holding Company   |
| Wire And Wireless Tisai Satellite Limited, Mumbai  | Fellow Subsidiary |
| Indian Cable Net Company Limited, Kolkata  | Fellow Subsidiary |
| Central Bombay Cable Network Limited, Delhi  | Fellow Subsidiary |
| Siti Cable Broadband South Limited, Bengaluru  | Fellow Subsidiary |
| Master Channel Community Network Pvt. Ltd., Vijayawada   | Fellow Subsidiary |
| Siti Vision Digital Media Private Limited, Delhi   | Fellow Subsidiary |
| SitiJind Digital Media Communications Private Limited, Delhi   | Fellow Subsidiary |
| Siti Jai MaaDurge Communications Private Limited, Delhi  | Fellow Subsidiary |
| Siti Bhatia Network Entertainment Private Limited, Chhattisgarh  | Fellow Subsidiary |
| Siti Krishna Digital Media Private Limited   | Fellow Subsidiary |
| SitiJony Digital Cable Network Private Limited   | Fellow Subsidiary |
| Siti Guntur Digital Network Private Limited  | Fellow Subsidiary |
| SitiFaction Digital Private Limited  | Fellow Subsidiary |
| SitiChhattisgarh Media Network Private Limited   | Fellow Subsidiary |
| SitiSagar Digital Cable Network Private Limited (formerly known as Panchsheel Digital Communication Network Private Limited) | Fellow Subsidiary |
| SitiKarnal Digital Media Private Limited   | Fellow Subsidiary |
| Siti Broadband Services Private Limited  | Fellow Subsidiary |

|  |                   |
|--|-------------------|
| SitiMaurya Cable Net Private Limited   | Fellow Subsidiary |
| Indinet Service Private Limited  | Fellow Subsidiary |
| Axom Communications & Cable Private Limited  | Fellow Subsidiary |
| Siti Siri Digital Network Pvt. Ltd.  | Fellow Subsidiary |
| Bargachh Digital Communication Network Private Limited                                       | Fellow Subsidiary |
| Siti Prime Uttaranchal Communication Private Limited   | Fellow Subsidiary |
| SitiSaistar Digital Media Pvt. Ltd. (formerly known as SaistarDigital Media Private Limited) | Fellow Subsidiary |
| Variety Entertainment Private Limited  | Fellow Subsidiary |
| Voice Snap Services Private Limited  | Associate         |

**Other Related Parties:**

|                    |   |          |
|--------------------|---|----------|
| Mr. Vinay Chandhok | - | Director |
| Mr. Ashok Choukse  | - | Director |
| Ms. ShobhaChoukse  | - | Director |
| Mr. Nikesh Goyal   | - | Director |

2.6 Transactions entered into by the Company with its holding company during the relevant Financial Year are as under:

**- Sale/ purchase of goods and services**

|                        | Year ended     | Sale of goods and services | Purchase of goods and services | Amount owed by related parties | Amount owed to related parties |
|------------------------|----------------|----------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>Holding Company</b> |                |                            |                                |                                |                                |
| Siti Networks Limited  | March 31, 2017 | -                          | 7,507,189/-                    | -                              | 58,257,617/-                   |
|                        | March 31, 2016 | -                          | 4,451,896/-                    | -                              | 50,752,228/-                   |

2.7 The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

| Particulars                      | 31-March-2017 | 31-March-2016  |
|----------------------------------|---------------|----------------|
| Profit/(Loss) after Tax          | 220,197.60    | (2,440,977.16) |
| Number of Equity Shares          | 10,000        | 10,000         |
| Nominal Value of Equity Shares   | 10            | 10             |
| <b>Basics Earnings per Share</b> | 22.02         | (244.10)       |

2.8 Other disclosures are made as under :

|  |   |     |
|--|---|-----|
| i. Value of Import on CIF Basis          | - | NIL |
| ii. Expenses in Foreign Currency         | - | NIL |
| iii. Amount remitted in Foreign Currency | - | NIL |
| iv. Earnings in Foreign Currency         | - | NIL |

- 2.9 As required by the MCA notification G.S.R. 308(E) dated 30.03.2017, the details of **Specified Bank Notes (SBN)** held and transacted during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016, the denomination wise SBNs and other notes is given below:

| <b>Particulars</b>  | <b>SBNs*</b> | <b>Other Denomination Notes</b> | <b>Total</b>      |
|---|--------------|---------------------------------|-------------------|
| Closing Cash in Hand as on 8 <sup>th</sup> November 2016  | 5,92,000     | 13,71,528                       | <b>19,63,528</b>  |
| (+) Permitted Receipts                                    | NIL          | 9,67,950                        | <b>9,67,950</b>   |
| (-) Permitted Payments                                    | (80,000)     | (7,044)                         | <b>(87,044)</b>   |
| (-) Amount deposited in Bank                              | (5,12,000)   | (3,20,500)                      | <b>(8,32,500)</b> |
| Closing Cash in Hand as on 30 <sup>th</sup> December 2016 | NIL          | 20,11,934                       | <b>20,11,934</b>  |

*\*For the purposes of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8<sup>th</sup> November 2016.*

**For & on Behalf of the Board  
SITI GLOBAL PRIVATE LIMITED**

**SD/-  
Director  
DIN No.**

**SD/-  
Director  
DIN No.**

**Date:  
Place: NOIDA**